



COMMUNITY DEVELOPMENT COMMISSION

County of Los Angeles

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Gloria Molina
Yvonne Brathwaite Burke
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Commissioners

Carlos Jackson
Executive Director

June 14, 2005

Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVE LEASE EXTENSION WITH CALIFORNIA DEPARTMENT OF
TRANSPORTATION FOR A PARKING LOT IN THE MARAVILLA REDEVELOPMENT
PROJECT AREA (1)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Executive Director of the Community Development Commission to execute a five-year option to renew the current Ground Lease (Lease) with the California Department of Transportation (Caltrans), for a 28-space public parking lot, located at 4495 East Cesar Chavez Avenue in the Maravilla Redevelopment Project Area (Project Area).
2. Authorize the Executive Director to exercise the additional two five-year options, per the terms of the current Lease, if necessary, in furtherance of the Project Area.
3. Authorize the Executive Director to execute all necessary documents for the above purposes, to be effective following approval as to form by County Counsel and execution by all parties.
4. Authorize the Executive Director to expend, for the above purposes, \$20,509 per year for the first five-year option, \$23,585 per year for the second five-year option and \$27,123 per year for the third five-year option, for a total amount of \$356,085 for all option years, using available funds including Float Loan Proceeds, Maravilla Tax Increment Funds and/or

Community Development Block Grant Funds, to be approved through the annual budget process.

5. Authorize the Executive Director to set aside a contingency of \$35,608 for all option years for necessary expenses to maintain and operate the parking lot, using the same sources of funds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

Exercising the five-year option to renew will provide for the continued use of public parking to patrons of the Project Area. The continued use of the parking lot will also mitigate the existing parking shortage in the Project Area.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund.

The Lease base rent is determined by the Consumer Price Index for the Los Angeles area. The annual rent for this first five-year option will be \$20,509, for a total of \$102,545. The annual rent for the second five-year option will be \$23,585 per year, for a total of \$117,925. The annual rent for the third and final five-year option will be \$27,123 per year, for a total of \$135,615. All Lease costs, totaling \$356,085 for all option years, will be paid from available funds including, Float Loan Proceeds, Maravilla Tax Increment Funds and/or Community Development Block Grant Funds, to be approved through the annual budget process. Float Loan Proceeds establish indebtedness and fund Commission approved activities in the Project Area.

A ten percent contingency for all option years, in the amount of \$35,608, is also being set aside for necessary expenses to maintain and operate the parking lot, using the same sources of funds.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On November 17, 1998, your Board approved the Lease between the Commission and Caltrans for construction and use of a public parking lot (see attached map), located at 4495 East Cesar Chavez Avenue in the Project Area. The initial term of the Lease commenced on July 1, 2000 and terminates on June 30, 2005. The Lease contains three five-year renewal options. With the exception of the increased rent amount, all terms and conditions of the Lease will remain in full force and effect.

Renewing the Lease will provide the continued uninterrupted use of 28 public commercial and retail parking spaces in the Project Area, located in unincorporated East Los Angeles, mitigating the existing shortage along the Ford and Cesar Chavez

Avenue commercial corridors. Patrons of businesses in the Maravilla Redevelopment Project Area use the public parking spaces.

ENVIRONMENTAL DOCUMENTATION:

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. This action is exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines 15301, because it involves no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT:

The proposed actions will enable the Commission to continue operating a public parking lot and allow for the delivery of services to visitors and residents of the Project Area and unincorporated East Los Angeles.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Attachment: 1

Parking Lot A
4495 Cesar E. Chavez Ave.
Los Angeles, CA 90022

5235 4
SCALE 1" = 100'

1997

